

 <div style="text-align: center;"> STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES </div> <div style="text-align: center; font-size: 1.5em; font-weight: bold;"> Policy and Procedure </div>		POLICY AND PROCEDURE NUMBER <div style="text-align: center; font-weight: bold;">06.01.010</div>	PAGE <div style="text-align: center;">1 of 1</div>
		EFFECTIVE DATE <div style="text-align: center;">May 28, 1993</div>	
SUBJECT <div style="text-align: center; font-weight: bold;">Contractor Payment Policy</div>		SUPERSEDES	DATED
TITLE <div style="text-align: center; font-weight: bold;">Finance</div>	CHAPTER <div style="text-align: center; font-weight: bold;">Expenditures</div>	APPROVED BY	

PURPOSE

To establish a department-wide policy concerning the scheduling of payments to contractors in order to establish payment procedures in keeping with good long term business relations. Establishment of a history of prompt payment of contractors should provide future dividends to the state through the reduction in future bids. Contractors, subcontractors and suppliers will not need to factor in as much for financing costs. The proposed policy stays within the intent and bounds of AS 36.90.200 which sets payment deadline and interest provisions for Public Construction Contracts.

POLICY

It is the policy of the department not to delay or hold payments to the prime contractor for satisfactory performance on a public construction or public works contract after receipt of an appropriate request for reimbursement.

AUTHORITY

AS 36.90.200 Payment Deadline and Interest

IMPLEMENTATION RESPONSIBILITY

Director, Administrative Services

DISTRIBUTION

Financial Management Operations Manual (FMOM), 04.05.010, Contract Payments.